

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7543

BILL NUMBER: HB 1416

DATE PREPARED: Jan 6, 1999

BILL AMENDED:

SUBJECT: Nonresident fishing fees.

FISCAL ANALYST: Bernadette Bartlett

PHONE NUMBER: 232-9586

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes the fee for the various nonresident licenses and stamps to fish in an amount equal to the fee the nonresident's state charges Indiana residents for a similar privilege. The Department of Natural Resources (DNR) is allowed to: (1) charge a nonresident the same fee as an Indiana resident if the nonresident's state of residence gives fee reciprocity to Indiana residents; and (2) enter into fishing fee reciprocity agreements with other states.

Effective Date: July 1, 1999.

Explanation of State Expenditures: The DNR may experience additional administrative expenses associated with implementing the above. The primary additional expenses would involve notifying the public of the change. The Department could absorb any additional expenses within its current budget.

Explanation of State Revenues: Nonresident fishing license fees for Indiana and surrounding states for 1997 are presented below.

Nonresident Fishing License Fees for Indiana and Three Neighboring States: 1997			
State	Annual	3-10 Days	1-Day
Indiana (Current)	\$15.75	\$6.75--\$8.75	\$4.75
Illinois	\$24.50	\$13.00	\$5.50
Michigan	\$26.00	N/A	\$6.00
Ohio	\$24.00	\$15.00	\$7.00
Kentucky	N/A	N/A	N/A
Proposed for Indiana	\$23.25	\$9.75--\$12.75	\$6.75
Note: Indiana also offers a stamp for \$6.75 to fish for trout and salmon. Nonresidents would be assessed a fee equal to the fee of the applicant's state of residence for a similar stamp or license. (Updated information will be provided when it becomes available.)			

Providing that the DNR is to charge nonresidents the fee that Indiana residents are charged in the neighboring state will increase fishing license fees collected by the DNR. The amount of the increase will depend on the nonresident angler's state of residence.

Revenue generated from current sales of nonresident fishing licenses are detailed below. (Updated information will be provided when it becomes available.)

Revenue Generated from Nonresident Fishing License Fees: 1997		
Type of <i>Nonresident</i> License	Number Sold in 1997	Current Fee
Annual Fishing	40,498	\$15.75
1-day Fishing	24,815	\$4.75
3-day Fishing	15,920	\$6.75
7-Day Fishing	5,850	\$8.75
Totals	87,083	N/A

The DNR could experience an initial decrease in licenses purchased by nonresidents in response to the increase in fees. Generally, the DNR experiences an initial decrease in gate or rental fees or in sales when fees or costs are increased. The extent of the decrease varies, depending on what fee or cost is increased. For example, in 1987 the gate entrance fee for state parks increased by 33% (from \$1.50 to \$2.00). Although it is difficult to compare gate revenues for DNR properties from year to year due to vagaries of weather, fuel prices, the economy, and other factors, the 1987 data reflect a decrease in annual daily vehicle attendance of 6% after the 33% price increase. In subsequent years, however, the decrease was offset by a return to

visitations at or above 1997 levels.

In addition to the above, for each fishing license sold, the Department receives \$4.90 from the federal government. Federal reimbursement could change if fishing license sales to nonresidents change as a result of this proposal.

Fees collected from the sale of licenses are deposited in the Fish and Wildlife Fund which is used to finance the operations of the Division of Fish and Wildlife and the Division of Law Enforcement.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Natural Resources.

Local Agencies Affected:

Information Sources: Based on statistics from the sale of licenses from the Division of Fish and Wildlife, DNR.